



Office of the City Auditor

Independent Auditor's Report on Applying Agreed-Upon Procedures Scottsdale City Court

Report No. 9940.1

May 24, 2000

The Arizona Supreme Court requires an external review of specific elements, at least triennially, to determine level of compliance with minimum accounting standards. This report presents the results of agreed-upon procedures undertaken to complete the external review.

CITY COUNCIL

**Mayor
Sam Kathryn Campana**

**Council
Cynthia Lukas
Mary Manross
Robert Pettycrew
Dennis Robbins
Richard Thomas
George Zraket**



"Most Livable City"

U.S. Conference of Mayors

OFFICE OF
CITY AUDITOR

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May 24, 2000

To the Most Honorable Sam Kathryn Campana, Mayor
and the Members of the Scottsdale City Council

This report serves to transmit the Independent Auditor's Report on Applying Agreed-Upon Procedures for the Scottsdale City Court. This engagement was completed to satisfy the requirements outlined in Minimum Accounting Standards (MAS) promulgated by the Administrative Office of the Courts. This external review is required, at least triennially, to determine level of compliance with these standards.

Scottsdale City Court management was provided a draft version of the report on April 12, 2000, with an exit conference held on May 8, 2000. The final report was provided to Court management on May 18, 2000. According to MAS, a copy of the final report must be provided to the Presiding Judge of the County within seven days of receipt by the Court.

In response to non-compliance concerns raised in the review, Court management has prepared an Action Plan outlining the steps that will be taken. This plan is included in this report as Appendix A. The Action Plan will also be included when the Court transmits our report to the Presiding Judge of Maricopa County.

The Court staff was very cooperative during our review and their assistance made our engagement much easier. We are continuing to complete work for the Internal Controls Review, a separate audit of court operations. The anticipated completion date is July 1, 2000, with results of that work provided under separate transmittal.

If you need additional information or have any questions, please contact me at 480-312-7867.

Respectfully submitted,

A handwritten signature in cursive script that reads "Cheryl Lee Barcala".

Cheryl Barcala, CIA, CPA, CFE, CGFM, CISA
City Auditor

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Report No. 9940.1

May 16, 2000

The Arizona Supreme Court requires an external review of specific elements, at least triennially, to determine level of compliance with minimum accounting standards. This report presents the results of agreed-upon procedures undertaken to complete the external review.

CITY COUNCIL

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May 16, 2000

Arizona Supreme Court
Administrative Office of the Courts

B. Monte Morgan
City Judge
Scottsdale City Court

We have performed the procedures listed on the following pages, which were agreed to by the Administrative Office of the Courts and management of the Scottsdale City Court, solely to assist you in evaluating the Scottsdale City Court's compliance with minimum accounting standards required by the Supreme Court. It is the belief of the Scottsdale City Court that most transactions are accurately assessed, receipted, recorded, and distributed in a timely manner. Scottsdale City Court also understands that it is responsible for maintaining an effective internal control system over financial accounting and reporting and compliance with minimum accounting standards.

This agreed upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described on the following pages either for the purposes for which this report has been requested or for any other purpose.

We were not engaged to, and did not, perform an engagement, the objective of which would be the expression of an opinion on the sufficiency of compliance with minimum accounting standards. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Administrative Office of the Courts and management of the Scottsdale City Court, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Respectfully submitted,

A handwritten signature in black ink that reads "Cheryl Barcala". The signature is written in a cursive, flowing style.

Cheryl Barcala, CPA, CIA, CFE, CGFM, CISA
City Auditor

Introduction

Minimum Accounting Standards (MAS) promulgated by the Administrative Office of the Courts (AOC), require the Scottsdale City Court (Court) to have, at least triennially, an external review of specific elements in order to make certain determinations. To comply with this requirement, the external review is to be conducted in accordance with the American Institute of Certified Public Accountants *Statement on Standards for Attestation Engagements (SSAEs) No. 4, Agreed Upon Procedures Engagements*.

The City Auditor's Office is established by Scottsdale City Charter and reports directly to the City Council. As such, according to the United States General Accounting Office *Government Auditing Standards* (1994 Revision), the Office may be presumed independent of the City management function.

We conducted our review in accordance with generally accepted government auditing standards as required by Article III, Scottsdale Revised Code, §2-117 *et seq.*

Objectives, Scope, and Methodology

Objectives

The objective of this review is to complete agreed upon procedures outlined in the Guide for External Review by Auditors, Part III of the MAS, and report the results. To comply with SSAE # 4, the report will only outline the procedures and findings. It will not provide an opinion or negative assurance regarding the results of tests performed. As required by MAS, a copy of this report is to be provided to the Presiding Judge of Maricopa County within seven days of receipt by the Court.

Scope

Observations were completed during the month of January 2000, and fieldwork was substantially completed the week ending March 10, 2000. Transactions selected for review were from the calendar year 1999. Work performed was limited to transactions controlled by the Court. Deposit of funds, investment of idle cash, preparation of checks, and bank reconciliations are a function of the City's Financial Services Department. Access to historical accounting records by Court staff is limited to view only.

A review of controls over unidentifiable funds processed by the Court, a standard agreed-upon procedure, was not possible. During calendar year 1999, the Court did not maintain appropriate records of unidentifiable funds. As such, there are no records in which to review.

Methodology

Using the Guide for External Reviews by Auditors, Part III of the MAS, as a source document, specific steps were developed based on the Court operating environment. The procedures were reviewed with staff at the AOC as well as the Court and approved by both parties.

To determine compliance with MAS, we interviewed Court staff and requested copies of the three previous compliance checklists. We also requested copies of policies and procedures manuals. Inquires were made of the City Risk Management Division to determine compliance with the requirement for bonding of employees who handle cash receipts.

Observations of court operations were conducted on several non-sequential days. We observed the preparation of a daily deposit and counted the change funds maintained by the Court. We also observed the pick-up of the deposit for transport to the City Cashier, mail payment processing, and various Court Service Representative (CSR) functions.

To verify cash receipts a random selection of cash transmittals was made. For each of 26 randomly selected days, the total on the cash transmittal was traced to the Banking Report, the Allocation Detail Report, and receipt from the City Treasurer. The record of the deposit to the Court Clearing Account maintained on the City's financial system was also verified. The cash transmittals and closeouts were reviewed for appropriate signatures. One receipt from each day was randomly selected and traced to the case financial record. The fine/fee and surcharge were recalculated and traced to the Allocation Detail Report.

To verify the allocation of funds to various revenue and agency accounts, totals for one month were traced to the Allocation Detail Report and the Fee Book. The total deposited to the Court Clearing Account and the disbursement of funds was verified to ensure timely payment.

Selection of disbursements for testing was made from accounting records maintained by the City Financial Services Department. The sample was limited to trust account items and did not include expenses related to court operations. Of the 25 items selected, 16 were restitution payments and 9 were bond refunds/exonerations. All were processed during calendar year 1999. We obtained supporting documentation and canceled checks from microfilm or imaged records maintained in the Accounting Division. The information was then traced back to the FACTS system, maintained by the Court. We attempted to verify that the name and amount reflected on the disbursement record agreed with information maintained by the Court and on the canceled check. We also attempted to verify the court order

establishing the restitution, bond refund, or exoneration. For all disbursements, we traced to the original receipt of funds recorded by the Court to verify the amount.

Results of Procedures¹

Financial Policies

Verify that the Court has posted the financial policies required by MAS 3.01 at a conspicuous location in the Court office.

- Financial policies were posted in a conspicuous location in the Court.
- The posting did not include certain information.
- The financial policy is not documented in a local Administrative Order or other written policy document.

The Court had financial policies posted by each cashiering window both in English and Spanish. The information outlines methods of acceptable payment. It includes a statement that a receipt will be issued for all transactions as proof of payment. It includes the non-sufficient funds policy outlining the additional fees that will be assessed should a payment be returned.

We asked Court management to provide the local Administrative Order or other policy document outlining the Court's financial policy. Documentation was not available so we could not verify that the information posted correctly reflected the written policy. We did note, however, that default notices, prepared by the Court, includes a statement to the effect that personal checks will not be accepted.

According to Court management, it is policy not to accept personal checks for defaulted citations or appearance bonds. This statement was not listed on the notice posted. When the discrepancy was brought to Court management attention, the information was updated and reposted.

Safeguarding of Receipts

Examine accounting records such as receipts, checks, and monies received by the Court. Verify the Court has safeguards in place as defined by MAS. Examine cash and checks received and verify that they are secured in a location that is out of the public view and only accessible to authorized personnel.

¹ The Agreed Upon Procedures are in italics. The Findings are identified with a bullet point, and any related discussion follows the finding.

Cashiering Function

- The duties of cashiering and reconciliation of daily deposits are adequately segregated.
- Funds are generally handled in a secure manner in a location out of public view and with restricted access until deposit with the City Cashier.
- Sufficient policies and procedures have not been developed for the cashiering function.

On three days in January, we observed various stages of the court cashiering function. Payments presented in person were handled in a secure manner with restricted access. Glass partitions separate the cashiering windows from the lobby. All doors to the main work area are secured with keypad entry. Funds are kept in drawers that can be locked and CSRs are instructed to lock their drawer when away from the work area.

Each CSR is responsible for reconciling the funds in their assigned drawer. A cash closeout is prepared to reconcile funds to total receipts per the FACTS Banking Report. A second individual (either a senior CSR or supervisor, depending on assignment) verifies and signs the closeout. The Banking Report, cash closeout, and funds are then placed in the CSR's cashiering bag. The bags are then placed in a separate compartment of the safe. The safe is located in a secured vault area. Combinations were changed recently to ensure that only appropriate personnel had access to the funds.

The deposit is prepared the following day. The Court Accountant and the Financial Assistant are assigned the responsibility to reconcile and prepare the daily deposit. They have adequate training and understand the responsibility of the task. Neither of these individuals performs cashiering functions. Each bag is separately reconciled to the required change fund. Each bag is initialed, once by the Financial Assistant to evidence the appropriate change fund and then by the CSR when they receive it back. Totals for cash, checks, and credit transactions are verified to system generated totals. When the deposit is completed, it is placed in the main compartment of the safe until approximately mid-day when it is picked up by an armored transport service for delivery to the City Cashier.

We requested copies of procedures for both cashiering and preparation of the deposit. While there are informal procedures, sufficient policies and procedures for these functions have not been formally developed. Appropriate safeguards such as securing cash in a safe manner, changing combinations when there is turnover in staff, reporting and monitoring of cash overages and shortages, and restrictions on cashing personal checks have not been documented.

Receipting Funds

- The Court is not in compliance with MAS requirements for controls over receipts.
- Manual receipts, as well as bail payments accepted by the City Police Department, were not deposited in a timely manner.
- Reconciliation of case records and diversion payments are not performed.
- Training and documented procedures for CSRs is not sufficient.

It is Court policy to issue a receipt for all payments made in person. If the appropriate resolution can be determined at the cashiering window, a system generated receipt is provided. However, during calendar year 1999, appropriate restrictions on voiding receipts as well as the ability to backdate receipts were not in place.

When research is necessary to resolve a payment made in person, a manual receipt is provided. It is the Court's policy to hold these funds until receipted into the FACTS system. Adequate records were not retained and information captured on the manual receipt was insufficient to provide an adequate audit trail. Most receipts reviewed included only last name, form of payment, and citation/case number. Court management could only provide documentation of one review of the accuracy of the receipts. This review, conducted in October 1999, indicated that approximately 4 percent of the manual receipts could not be traced to a FACTS record.

Adequate training is also necessary to ensure that receipts are properly safeguarded. Without adequate training, staff responsible for receipting funds may make unintentional errors that require correction. Receipt and deposit of funds may be delayed because the CSR is uncertain of the steps to take to properly record the payment. We inquired about the training and supervision of CSRs. According to the area supervisor for municipal and parking payments, written reference material available for staff is minimal. Training is limited to approximately two weeks of one-on-one training with observations. After that, feedback is limited to responding to questions or following up when an item needs to be corrected or with issues regarding closeout of cash drawers. The Court does not currently require continued training for CSRs as a means of reinforcing MAS requirements for safeguarding receipts.

System Generated Receipts

MAS requires that receipts be consecutively numbered and supported with an adequate audit trail. Automated systems must allow for a receipt to be voided, but not altered or changed. FACTS allows some elements of a receipt to be changed

but most financial record corrections require the original receipt to be voided. When a receipt is voided, it is kept on the system but marked as void.

Because FACTS allows a receipt to be completed, printed, and subsequently voided and does not limit the time frame, controls over void receipts need to be rigorous. Prior to January 2000, more than seven people, including some Senior CSRs, System Analyst, System Integrator, some Court Supervisors, Court Accountant, Financial Assistant, Court Administrator, and a contract staff person, had access to void a receipt.

Another important control over system generated receipts is assurance that all receipts entered on the system will be accounted for. Within the Court, the only safeguard over funds owed to the Court is the reconciliation of receipts deposited and the information posted to the financial record. For this safeguard to be effective, management must rely on numeric-controlled receipt numbers.

FACTS generates a numerically sequenced list of receipts (Banking Report) and a total that can be verified to funds on hand. However, there are ways to generate a receipt that does not print on the list. FACTS allows backdating of receipts as a means of correcting a financial record. The original receipt is voided and a new receipt, backdated to appear as if it were posted the same day, is created. Prior to January 2000, the ability to backdate a receipt was not restricted.

Without adequate controls, this function can be used to post a receipt to the case financial record without detection. Because the backdated receipt is not listed on the daily Banking Report, it would remain undetected during daily reconciliation. If the receipt was backdated to a month already reconciled it might remain undetected.

A backdated receipt could be identified, however, by review of the numeric sequence of automated receipts on the Banking Report. While FACTS does not flag the break in sequence, a visual inspection would identify a break. Court management has not historically audited the numeric sequence of receipts as part of the daily reconciliation. Policies and procedures do not address required authorization and appropriate documentation for backdated transactions.

Manual Receipts

Funds, presented in person, that cannot be receipted into FACTS, are accepted and documented with a manual receipt. At the close of the day, any unresolved funds are placed in the Senior CSR's banking bag and secured in the safe. The following day, the funds are returned to the Senior CSR. This process continues until such time as the issue is resolved or a determination is made to return the funds.

Currently, procedures do not require tracking of the manual receipt until resolution. Procedures are not sufficient to identify and research misplaced or lost funds. CSRs are not instructed to indicate, on the court copy, information such as the FACTS receipt number or date when entering the information to the court system. Procedures do not require the manual receipt number as a memo entry on the FACTS system.

The manual receipts in use during our review were generic City issue receipts. They identified the City of Scottsdale but did not contain the name of the Court. The receipt did not include space for the name and address of the person making payment nor was there space to indicate the type of payment. The manual receipt books were kept in an unlocked file drawer in the Court Accountant's work area. Receipt books were logged when distributed to a CSR but not logged when received from the City Cashier. As a result, the Court would not have detected a receipt book that was lost prior to distribution to a CSR.

Prior to our fieldwork, the Court Accountant had submitted a request for receipts with the court name as well as space for name and address, date entered into FACTS, the reason the funds could not be receipted into FACTS, and the type of payment. New receipts were received during March but have yet to be placed into service due to a printing error. Replacement receipts have been requested.

Bail Receipts

The Court also provides manual receipts for bail payments. Current practice is for the City Police Department to accept bail payments and issue a court provided manual receipt. Controls did not exist to ensure that all manual receipts provided to the City Police Department were returned. As well, while blank bail receipts are kept in the vault, access is not restricted because the vault is left open during the day. As such, controls are not sufficient. Procedures did not require deposit of funds in a timely manner. Bail payments were held and deposited with the Court one day a week regardless of the volume.

During our review, this issue was discussed with Police personnel and Court staff. A proposal is under consideration for the Court to assume processing bail payments during normal court hours. The City Police Department would then accept bail payments after hours. Funds would be transmitted to the Court for deposit the following day.

Void Receipts

Copies of voided system generated receipts are not maintained. The FACTS system flags a void receipt, which can be used to identify these receipts. For

manual receipts, it appears that CSRs are retaining both copies of a voided receipt. However, the process of writing the word "VOID" on both copies was not consistent.

Diversion Program Receipts

MAS requires reconciliation of court case records and payments remitted for court authorized diversion programs. Current practice is to post the check received and use a system generated event code to enter attendance on the case record. No reconciliation occurs between the funds received from the contractor and the number of cases effected by the system generated event code. There is limited assurance that the number of cases dismissed through the use of the defensive driving class event code agrees with the diversion program fees deposited by the Court.

During this review we noted that the Court was receiving two different payment amounts for the diversion fee. This is in conflict with state statute governing diversion program fees.

Endorsement of Checks

Examine checks received and verify that the Court immediately restrictively endorsed them.

- Checks were restrictively endorsed.

CSRs are instructed to endorse the check/money order immediately upon acceptance. This instruction is posted in various locations within the cashiering area. During observation, it appeared that the policy was being followed.

According to the Court Accountant, compliance with the requirement is also reviewed as part of the deposit preparation. Non-compliance is brought to the attention of the area supervisor for follow-up.

Mail Payments

Observe the mail receipt procedure used by the Court for timeliness of endorsement and deposit and for safeguarding of receipts prior to deposit.

- Prior to February 2000, mail payments were not being receipted the same day received.
- Unidentified receipts were not logged or monitored.
- Policies and procedures are not current nor do they include all appropriate elements to ensure safeguarding of receipts.

During the calendar year 1999, mail payments were opened by the switchboard clerk, endorsed, and date stamped. If the payment could be traced to a FACTS case record, a memo entry was placed on the register of actions. Payments that could not be traced to a FACTS case were held until resolved or returned. There are no reports documenting the volume of unidentified mail payments for determination of timeliness of deposit. According to management reports, in November 1999, approximately 20 percent of these identified mail payments were processed within one business day.

Changes made in processing and staffing were implemented in January 2000. After discussion with AOC staff, the memo entry to FACTS was abandoned. As of February 2000, all identifiable payments are posted and receipted the day received. For payments that cannot be traced to a file on FACTS, the payment is logged until resolution. While the log does not take the place of timely deposit and recording in a suspense account until resolved, there is a limited audit trail of the payment.

During our review, we could not determine the volume of unidentified mail payments returned to the payor. According to Court management, the practice when a payment could not be resolved was to simply return the payment to the payee. No documentation was available to support these returned payments.

According to the Mail Payment Received With No Receipt Report dated January 7, 2000, there are approximately 500 entries on register of actions that do not have a corresponding FACTS receipt. Entries on this report date back to 1997. Some of the payments listed on the report may have been resolved but not documented correctly. Other unresolved payments may not be traceable. In many of the cases, the entry simply contains an amount or the term "mail payment" without a note of amount received or type of payment. It also appears that the mail payment event was sometimes used in error when recording receipt of correspondence.

The event code was also used when processing phone calls for payment with credit cards. Instead of processing the payment while the individual was on the phone, an entry would be made and the payment processed after the fact. As a result, when a credit card payment was declined, a corresponding FACTS receipt would not be generated. It does not appear that CSRs were consistent in noting situations in which the payment could not be processed even though a payment event was entered on the register.

Municipal and Parking Payments

During 1999, mail payments were processed by various CSRs as time allowed. During the year, in an effort to address the backlog, the responsibility was placed with one CSR. In January 2000, a manual tracking log was implemented. The log for January 14, 2000, indicated that 56 payments were held with 8 identified as "not

in the system.” Of the 56, 48 had still not been opened. They were bundled and listed on the log with an item count. We noted that the mail payment cashier had included items in the count that were held in the work area overnight.

The mail payment cashier also processes correspondence. It appeared that there were limited efforts to manage the posting of payments in an effective manner. Payments were not sorted so that the payments easily resolved were processed first. There was no priority to processing payments over mail correspondence. We also noticed that payments were left unattended during the day.

We made inquiries about mail payment procedures. The current procedure is outdated and does not reflect changes. It does not address handling payments in a secure fashion, does not require that checks be restrictively endorsed, nor did it require research and resolution of missing mail payments.

Court management provided a draft version of updated procedures, which are more encompassing than the existing procedures. However, several requirements that are implied could be clarified. For example, the revised procedures require unidentified receipts (not in system) to be logged, but they do not require the log to be signed or reviewed by a second individual. We did note, however, that the Court Accountant verified the count on the log the day we observed the deposit preparation.

Photo Radar Payments

During the day, the payments are kept in a basket on a counter in a shared, open work area. At the close of the day, the payments are placed back in the vault. Corporate payments are kept in a separate folder. Prior to February, there was no tracking log for these payments.

On January 27, we prepared a schedule of all payments held for processing. There were 78 payments totaling \$10,543. Twenty-three payments had been received the previous day, 29 payments had been received between January 10 and 25, and 7 were dated in 1999.

The seven checks held from 1999 included reasons such as:

1. Four were held because the name and address was not pre-printed on the check. Correspondence had been mailed notifying the individual that the name and address must be preprinted on the check.
2. One had not been signed by the maker (check dated back to April 1999). Correspondence had also been sent.
3. Two were for partial payments. Correspondence had also been sent.

Cash Receipts/Reporting

Using the receipts retrieval function, verify that the receipt information listed on the Banking Report matches the information listed on the receipt.

- All receipts selected for this test agreed with information listed on the Banking Report.
- One receipt did not indicate the name of the person making payment.

FACTS prints the name of the defendant as the name of the payor on a receipt unless different information is entered. In certain situations, it may be necessary to record additional information. For example, when the person making the payment is not the same as the defendant. For the Scottsdale City Court, it is also required when accepting payments for parking notices of violation because only the license plate of the vehicle is recorded in FACTS when the notice of violation is entered.

MAS requires that the name and address of the person making payment be listed on the case financial record unless the information is listed on the case file, case docket, ticket, complaint, or receipt. For parking notices of violation, the entry at the time the receipt is prepared is the only point to capture name and address of the person making payment.

Verify Register of Actions

Obtain the Register of Actions for the case listed on the receipt and verify that the amount posted to the case financial record agrees with the information on the receipt.

All receipts selected for this test agreed with the information recorded on the register of actions.

Bail Bonds

For Bond (Bail) payments, trace to the Outstanding Bail Report or confirm that the bond has been forfeited, converted, or exonerated and refunded, based on court order.

- For the bond payment, we could not confirm that the conversion was based on court order. The file could not be located.
- For the bond conversion, the assignment of funds was not according to court order.

The sample of receipts contained two payments related to bond payments. One receipt was for an initial bond posting and one for a bond conversion.

For the first receipt, the bond was subsequently converted to fine. The register of actions reflected the bond, conversion, and refund of overpayment and refund of tape fees. We could not verify the information posted to the register of actions. Court management could not locate the case file.

The second receipt was for a bond conversion. We traced the bond to the initial receipt, the case file, and verified the court order. The application of funds to fine and fees did not match the court order. According to the file, it was the intent of the Judge that the bond be converted and applied to the single criminal charge on a multiple count complaint.

Instead, the bond was first applied to the time payment, then local enhancement fund fees for all counts on the complaint and default fees for the civil charges. The remainder was allocated to the criminal charge. As a result, a warrant was subsequently issued for the failure to pay; resulting in the defendant being brought back into court. The warrant was quashed with a note in the case file not to re-issue. However, the financial posting had not been corrected as of the date of fieldwork.

Restitution Payments

For restitution payments, verify that a disbursement was made to the appropriate party in a timely manner. Consider any restitution payment not cleared within 30 days to be an exception.

- There were no restitution payments included in the sample of receipts.

Receipts From Other Agencies

For receipts from other agencies, determine that the monies were transmitted to the Court timely.

- There were no receipts from other agencies included in the sample of receipts.

Non-Trust Payments

For non-trust receipts, determine the related fine/fee for which the payment was made. Compare the fine/fee to either the court's fee and fine schedule or the case file as appropriate. Differences will be considered exceptions as will the inability to locate case file for those cases in which a fine/fee was established based on an appearance at court.

- Two fines, for parking violations, did not agree with the penalty fee established by City ordinance.
- Court management was unable to provide documentation of the court order for two cases.
- Court management was also unable to provide hard copy citations for two photo radar violations to establish date of violation.

Two of the receipts selected in the sample were for parking violations related to overtime parking. City ordinance, in effect at the time of these violations, established a penalty fee of \$10. The amount listed on parking notice of violations was incorrect. This situation was corrected in October 1999, when the City ordinance was modified to mirror the amount actually being collected.

The fines established for two cases could not be traced to the court order. One fine, related to a photo radar violation had been established based on an appeal. The other fine, related to a civil case, was based on appearance. Court management could not locate the court orders for these cases.

Two other fines were established based on plea/no appearance for photo radar violations. Both cases had been filed with the Court subsequent to changes in bond cards but were settled according to the previous bond amount. Court management could not locate the hard copy citations to establish the actual violation date.

Recalculate Surcharge Based on Date of Violation

Recalculate the surcharge based on date of violation for accuracy. Trace to the appropriate Allocation Detail Report to verify the allocation.

- One case had an incorrect surcharge code based on the date of violation.
- Two other surcharge codes could not be verified.
- All fines, including parking violations, were assessed surcharges that were traced to the Allocation Detail Report.
- The mathematical calculation, based on the surcharge code, to each surcharge type was correct.
- The Court did not have a new bond card in effect until March 1, 1999, twelve days beyond the February 17, 1999, effective date to increase the surcharge from 60 percent to 70 percent.

The surcharge amount has changed several times since 1994. During 1999, the rate changed in February and again in August. For the rate change effective

February 17, 1999, the Court did not implement a new bond card until March 1, 1999.

Three receipts selected in our sample were for complaints processed close to the dates the surcharge rate changed. One receipt was for a fine based on court order. The date of the violation was February 22, 1999, requiring a 70 percent surcharge. However, when the fine was established, a 60 percent surcharge code was used.

The other two citations, paid through plea/no appearance, were filed with the Court on September 7, 1999, and March 5, 1999, respectively. In both cases, the surcharge was calculated based on the earlier effective rate. We were unable to determine the date of violation to verify the correct percentage.

Time Payment Fee

Determine whether or not a time payment fee was applicable. If applicable, determine if the register of action reflects the assessment. Verify that the amount of the assessment was correct based on schedule in effect at the date of payment. Trace to the appropriate Allocation Detail Report to verify the appropriate distribution.

- All time payments required, for non-photo radar traffic complaints, were assessed appropriately and in the correct amount.
- All \$20 time payments were distributed correctly.
- There was one \$12 time payment in the sample and the distribution was incorrect.

The court policy is to assess a time payment fee when a fine is imposed either by hearing or default judgment, and not paid on the date imposed. Time payment fees for photo radar citations and parking violations, paid after initial appearance date, are not assessed unless the fine was established based on hearing or default, or the payment was returned due to non-sufficient funds.

State statute provides that a portion of the time payment may be kept for local court enhancements. To accomplish the distribution, FACTS allocates to separate agency codes based on system parameters. The \$12 time payment requires a distribution of \$3 to the assessing court and the remaining \$9 to the state. The payment in our sample was distributed \$4.20 to the local court and the remaining \$7.80 to the state.

Verification of Cash Transmittals

For each of the 25 days selected, verify that the amounts listed on the Cash Transmittal agree with the Banking Report, all registers, all deputies.

- All cash transmittals agreed with the Banking Report, after adjustments for overages, shortages, and bond reinstatements.
- In two instances, on May 24, 1999, and July 27, 1999, it appeared that personal change was made from funds prior to deposit.

Evidence of Signature

Visually inspect the Cash Closeout for evidence of signature by Court Service Representative and Supervisor.

- All cash closeouts prepared by CSRs evidenced signature of the cashier and a second individual (either the Senior CSR or the supervisor).
- Cash closeouts prepared by someone other than a CSR were not signed by two individuals.

It was noted during the review that closeouts prepared by the Senior CSR or supervisor were not signed by a second individual. These individuals do not prepare the daily deposit or reconcile the cash transmittal to the Banking Report. While controls might be enhanced by requiring the cash closeout to be reviewed and signed by a second individual, sufficient compensating controls are in place with the segregation of reconciliation of deposit to Banking Report.

Evidence of Signature on Cash Transmittal

Visually inspect the Cash Transmittal for evidence of the signature of person preparing transmittal.

All cash transmittals were signed. In most instances, the transmittals were signed by two individuals.

Cash Overages and Shortages

Note any significant over or under differences.

- There were four days, in our sample, with overages/shortages.
- All were traced to offsetting transactions either the previous day or following day.
- The Court does not have documented policies and procedures governing reporting of over and short conditions to management.
- There is no established process to follow up and retrain staff when appropriate.

Material overages/shortages in our sample appear to be the result of timing in processing credit card payments. If a credit card payment is processed prior to recording the transaction on FACTS, the credit card transactions will be higher than the total reflected on the Banking Report. When the receipt is posted to FACTS, the overage is cleared.

Allocation Detail Report

For each of the 25 days selected, confirm that the Banking Report, all registers, all deputies, agrees with the Allocation Detail Report.

- Each of the days agreed with the Banking Report, all registers, all deputies and the total listed on the Allocation Detail Report for the corresponding day.

Agree Fee Report to Allocation Detail Report

Confirm that the Fee Report agrees with the Allocation Detail Report.

- The Fee Report, for each of the days, agreed with the total on the Allocation Detail Report.

Timeliness of Deposit

Verify that a City Treasurer receipt indicates that the deposit was made in a timely manner, in the same form indicated on the Cash Transmittal.

- A City Cashier receipt indicating deposit with the City Treasurer in a timely manner and the same form was attached to each Cash Transmittal.

Verify Month-To-Date Fee Report to Disbursement of Funds

For one month, verify that the month-to-date Fee Report agrees with the journal entry forwarded to the City Treasurer for disbursement of funds.

The month-to-date Fee Report agreed with the allocation journal entry forwarded to the City Treasurer for disbursement of funds.

Verify Deposits Posted Agree with Disbursement of Funds

For the same month, verify that cash deposits posted to the Court Clearing Account maintained on the City financial system agrees with the monthly journal entry for disbursement of funds.

- The total monthly deposits to the Court Clearing Account agreed with the distribution journal entry.

Verify Timely Disbursement to State Treasurer

For the same month, verify that the disbursement of funds to the State Treasurer agrees with the amount and was made in a timely manner.

- The disbursement of funds to the State Treasurer agreed with the disbursement allocation and was made in a timely manner.

Cash Disbursements

Verify Disbursement to Case Financial Record

Trace the payment back to the Case Financial record verifying that the name of the payee, amount, and voucher number agree. Compare date of voucher on FACTS system to date of check on financial system for timeliness of processing.

- All payments traced back to the case financial record.
- The name of the payee and amount agreed with the request prepared by the Court.
- Fifteen, out of 16, restitution payments were processed within the 15-day timeframe established on Supreme Court Administrative Order 94-16.
- All bond refunds/exonerations were processed in a timely manner.
- Reconciliations of these trust accounts were not completed in a timely manner.

One restitution payment was receipted into FACTS September 10, 1999, with the check dated September 30, 1999.

Court management is not reconciling the trust accounts maintained by City Financial Services to case financial records on the FACTS system. During our testing, we found one bond refund payment had been inadvertently processed against the restitution trust account. Without monthly reconciliations of the activity, errors of this nature will remain undetected.

Verify Disbursement to Court Order and Payee

Verify that the disbursement was based on court order and that the payee name agrees with the person posting bond or with agreement in file to disburse funds to another party. For restitution payments, verify that the payee name agrees with the victim information.

- Eighteen payments agreed with the court order.
- Seven case files could not be located.
- Court practice does not ensure that changes to victim name/address are documented and maintained in court files.
- Court practice will not result in victim name/address being imaged to maintain an audit trail once the hard copy file is destroyed.

We could not verify the victim name and address on six restitution payments. Court management could not locate the case files. Of the ten files reviewed, one address listed on the FACTS system did not agree with the victim address in the file. In a second case, the victim address on the check in the sample agreed with the court record, but no longer agreed with the FACTS system. According to the Court Accountant, changes to the victim address may be done directly on FACTS and not documented in the case record.

Endorsement of Check

Obtain the canceled check and verify that the endorsement agrees with the payee.

- Four checks appeared to have been cashed, but could not be located on CD prepared by the financial institution. Copies of canceled checks were obtained from the financial institution.
- One check was still outstanding.
- One check had not been endorsed.
- Two checks had endorsements indicating a business name but the checks were made payable to individuals.
- Procedures do not result in Court management being notified when disbursement remains outstanding or is written off.

The City receives imaged records of canceled checks on a CD. During our review, of the 24 disbursements that were indicated as cleared, 20 canceled checks were found on the CDs. Copies of three canceled checks were obtained from the financial institution. Documentation of one canceled check was not available prior to the conclusion of our work, but was received after close of fieldwork.

One disbursement, dating back to September 1999, had not been cashed. Procedures are not in place to ensure that Court management is made aware of outstanding disbursements. Court management would only become aware of undeliverable checks that were returned by the Post Office.

Change Fund

Count and Compare Change Funds for Cashiers

During observation of the cashiering function and prior to the distribution of the cash drawers, count and compare the amount set aside as a change fund for each cashier. Verify evidence of signature by both the vault cashier and the Court Service Representative acknowledging the amount in the change fund.

- All change funds agreed with amounts established. There was evidence of signature by both the vault cashier and the CSR acknowledging the amount.

Count and Compare Change Fund in Vault

Count and compare the amount retained in the vault as a change fund and examine for evidence of loans, personal checks, or receipts for purchases.

- The amount retained in the vault as a change fund agreed with the established amount. There was no evidence of loans, personal checks, or receipts for purchases.

Aging of Open Item Record

Obtain the Outstanding Bail Report "Inception to Date through June 30, 1999," for all courts. Obtain the Outstanding Bail Report "Inception to Date through December 31, 1999." Compare items on the June 30, 1999, ending report to the December 31, 1999, ending report and note any cases common between the two. Cases on the June 30 report still on the December 30 report will be considered to be on the system longer than six months. Obtain the Register of Actions for those cases and justification from court personnel.

- The Outstanding Bail Report included:
 - ▶ 55 Municipal Court bail payments dated prior to July, 1999.
 - ▶ 36 Municipal Court bail payments dated July and August 1999.
 - ▶ 4 parking bail payments older than 6 months.
 - ▶ 14 photo radar bail payments older than 6 months.

Management prepared reports of all bail payments receipted prior to December 1999, but still outstanding as of February 28, 2000. According to these reports, the Municipal Court listed 269 separate cases with bail still outstanding. Of the 55 outstanding prior to July, 39 cases indicated a status of closed, termed, or FTA.

Twelve indicated a case status of pending and four indicated a case status of "appeal."

Fifty-two cases related to parking violations and photo radar citations also indicated outstanding bail. Eighteen were more than 6 months old. Of these, nine listed a case status of appeal.

Schedule Open Items without Reasonable Explanation

Based on auditor judgment, note any outstanding items without reasonable explanation. Prepare schedule of all items older than six months, segregating those that appear to be appropriate from those considered exceptions. Note reason given for item remaining and determine whether item was resolved prior to end of fieldwork.

Due to the volume of outstanding bail older than 6 months, no effort was made to determine whether or not there was a reasonable explanation for the item to remain outstanding.

Internal Controls

Determine that the segregation of duties for cash receipts and cash disbursements complies with Attachments A-D guidelines to the extent possible for the Court.

- Appropriate segregation of duties exists for the majority of the cash receipt functions and cash disbursements.
- Due to lack of documentation for unidentified receipts during calendar year 1999, we cannot verify that appropriate segregation of duties existed in the handling of unidentified funds.
- During calendar year 1999, CSRs had the ability to backdate receipts. This is not a compatible function with cashiering.
- During calendar year 1999, more than seven individuals had the ability to void transactions and receipts (see discussion under **Receipting**) including some Senior CSRs and Supervisors within the cashiering area. With an automated system, this function should be limited and segregated from the cashiering function.
- During calendar year 1999, the System Analyst and System Integrator had the ability to void transactions and receipts. Individuals with the responsibility to maintain system integrity should not be allowed to perform activities that effect case management or financial records.
- Authorization of changes to case records and financial information was not appropriately segregated from the ability to make the change within the automated system.



Michael C. Landrum
Court Administrator

B. MONTE MORGAN
PRESIDING JUDGE

MICHAEL C. LANDRUM
COURT ADMINISTRATOR

SCOTTSDALE CITY COURT

3700 N. 75TH STREET
SCOTTSDALE, AZ 85251

(480) 312-2772
(480) 312-2305 FAX



March 8, 2000

Cheryl Barcala
Office of the City Auditor
7440 East First Avenue
Scottsdale, AZ 85251

Dear Ms. Barcala,

As required by the standards for agreed upon procedures engagements established by the American Institute of Certified Public Accountants (AT §600.07-.08), the following assertions are provided.

The Minimum Accounting Standards (MAS) for Arizona Courts prescribes the standard accounting policies and procedures to assist courts in complying with applicable statutes and generally accepted accounting principles (GAAP). Part III, the Guide for External Review by Auditors, contains the procedures and sample sizes for the external review.

It is the belief of this court that most transactions are accurately assessed, receipted, recorded, and distributed on a timely basis. Management is concerned about untimely reconciliations and lack of centralized procedures, which has occasionally resulted in weak internal controls particularly in the area of mail and manual receipt processing. Scottsdale City Court recognizes these issues as evidenced by our recently submitted MAS review dated 1/24/00. Scottsdale City Court understands that it is responsible for maintaining an effective internal control system over financial accounting/reporting and compliance with MAS.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael C. Landrum".

Michael C. Landrum
Court Administrator
Scottsdale City Court

Appendix A

Scottsdale City Court Action Plan

MINIMUM ACCOUNTING STANDARDS (MAS) ACTION PLAN			
MAS STANDARD	AUDIT REPORT	STATUS	ACTION PLAN
3.01 – Requirements for financial policy postings	Financial policies are to be current and in a conspicuous location.	Posted policies are current and in a conspicuous location.	Completed. Policy needs to be completed in manual. <u>Total Completion 5-1-00</u>
5.04 – Safeguarding of receipts	Ensure safeguards are in place and verify cash and checks are secured in a location out of public view and only accessible to authorized personnel.	Duties of cashiering and daily deposits are adequately segregated. Funds are generally handled in a secure manner in a location out of public view and with restricted access until deposit with city cashier. Sufficient policies and procedures have not been developed for the cashiering function.	Development of written policies and procedures for the cashiering function. Pending. Require continued training for CSR's as a means of reinforcing MAS requirements for safeguarding receipts. Completed. Develop formalized written training curriculum for the CSR positions. Pending. <u>Total Completion 6-30-00</u>
5.05 – Receipting Funds Issue a receipt for each payment made in person. For all other payments, either issue a receipt for each payment or prepare a sequentially numbered transaction record for each payment. A receipt or transaction record shall include: a) Case #, if applicable; b) Defendant's name, if applicable c) Plaintiff's name, if applicable d) Date payment was received e) Amount received f) Name and address of the person making the payment (only required if not included on case financial record and person is (1) posting	Receipting Funds	Not in compliance with MAS requirements for controls over receipts. Manual receipts and bail payments accepted by the Police Dept. not deposited in a timely manner. Reconciliation of court case records and diversion payments not performed. Training and documented procedures for CSR's not sufficient.	Policy and procedure of cashiering function - Pending. Develop new bail/bond receipts for both the court and the P.D. - Printing-Pending. Meet with P.D. and establish new policy with regard to \$ deposit. - Pending - meeting 5-10-00. Develop reconciliation process with diversion services to accurately update file and reconcile ledger. Pending. Scrutinize and document "received by" errors and address as performance. Completed. Develop enforcement action plan. Pending - 6-15-00. Present enforcement action plan to CSR's. Pending - 6-25-00. <u>Total completion 6-30-00.</u>

a bond, or (2) making a payment by check or money order; g) Identification of person receiving the payment; h) Method of payment (cash, check, credit card, etc.); i) Sequential receipt/transaction number; j) Name of court.			
	System-generated receipt.	Controls over void receipts need to be rigorous. Reliance on numeric controlled receipt numbers. Backdated receipts need to be controlled.	Policy & procedures developed – Pending approval. New manual receipt books obtained and distributed - Completed. Request for modification to FACTS submitted - Completed. <u>Total Completion - 4-30-00.</u>
<u>5.11</u>	Manual Receipts	Receipt numbers are not required on the memo entry on the FACTS system. A system is needed to address unresolved funds.	Revised on 4-14-00 draft. - Completed. Needs addressing in enforcement action plan and/or procedure manual item. <u>Pending completion 6-15-00.</u> <u>Total Completion 6-15-00.</u>
	Bail Receipts	Funds not receipted in a timely manner. Non-sequential receipts are used.	Previously noted. Written procedure needed. – Pending completion. <u>Total completion 6-1-00.</u>
<u>5.09, 5.10</u>	Void receipts	Copies of voided system generated receipts are not maintained. Process of writing void on both copies of manual receipts not consistent.	New receipt books distributed. Standardized training on receipt completion provided to CSR's. Policy and procedures need to be completed and revised to require mandatory copies with replacement receipt. Train on above. <u>Total completion - 5-10-00.</u>
<u>5.13</u>	Diversion Program receipt MAS requires reconciliation of court case records and payments remitted for court authorized diversion programs.	Court receives two different payment amounts for diversion fee in conflict with State statute.	Reconcile actual diversion payments to all cases defendant has attended school (See 5.05, 4 th action plan). DDS/Debt set-off issues. <u>Total completion – 5-31-00.</u>

<u>5.02</u> – Restrictively endorse all checks immediately, i.e., "For Deposit Only to (court's account name)."	Endorsement of Checks Received checks need to be immediately restrictively endorsed.	Meets standard.	Address in enforcement action plan and train. <u>Pending – completion – 6-15-00.</u>
<u>5.05, 5.06, 5.07</u>	Mail Payments Mail receipts need timely endorsement and deposit and need to be safeguarded prior to deposit.	Mail payments not receipted the same day. Unidentified receipts not logged or monitored. Policies and procedures not current to ensure safeguarding of receipts. Phone payments processed after the fact.	Corrected. As of Feb. 2000, the majority of identifiable payments are posted and receipted the same day. (Continued areas that need addressing - bail/bonds, DDS). Payments that cannot be traced to FACTS are logged until resolution. <u>Completed - None required.</u>
	Municipal & Parking payments	Payments were processed as time allows. Procedures for handling these payments are outdated.	1/2000 a manual tracking log was implemented. Procedures have been drafted but need to be further clarified. - Pending. <u>Total completion - 5-10-00.</u>
	Photo Radar payments	No tracking logs for payments.	Remedied - log has been prepared. <u>Completed - None required.</u>
<u>2.02, 11.01</u>	Cash Receipts Reporting Using the receipt retrieval function, verify receipt information, listed on the Banking Report matches information listed on the receipt.	On parking NOV's the only time to capture the name and address is when payment is made.	Needs procedure manual item. – Pending. Needs enforcement action plan. Provide training to the CSR's. <u>Total completion - 6-30-00.</u>
<u>2.02</u>	Verify Register of Actions Review the register of actions and verify the amount posted agrees with the amount reported.	Full compliance	<u>Completed – None required.</u>
	Bail Bonds For payments trace to the Outstanding Bail report or confirm status of bond, based on Court order.	Bond payment, could not confirm that the conversion was based on Court order. Bond conversion, assignment of funds not according to Court order.	Research outstanding bail/bond finances. Complete policy and procedures for this area. - Pending. <u>Total completion - 5-30-00.</u>
	Restitution Payments Disbursement needs to be made in a timely manner and any payment not cleared within 30 days needs to be considered an exception.	No samples.	N/A

	<p>Non-Trust Payments For non-trust receipts, determine the related fine/fee for which payment was made. Compare to either the court's schedule or the case file as appropriate. Differences and the inability to locate the case file for those cases in which a fine/fee was established at a court appearance will be considered exceptions. Recalculate the surcharge based on the date of violation for accuracy and trace to the appropriate Allocation Detail Report to verify the allocation.</p>	<p>Situation was corrected in Oct. 1999 when the city ordinance was modified to mirror the amount actually being collected. All fine, including parking violations were assessed surcharges that were traced to the Allocation Detail Report. The mathematical calculation between surcharge code and type was accurate. The court did not have a bond card in effect until 12 days beyond the effective date to increase the surcharge from 60% to 77%.</p>	<p>Remedied per ordinance in 1999. <u>Completed - None required.</u></p> <p>Note: Problem area - Unable to locate file. Payment of one charge v. another in terms of financial priority, e.g. civil v. criminal. Confusion with procedure and AO97-4. <u>Completed - None required.</u></p> <p>Bond cards will be printed and provided to staff prior to implementation in bond changes.</p> <p><u>Total completion - 5-30-00.</u></p>
	<p>Verification of Cash Transmittals Verify all amounts listed on the Cash Transmittal agree with the Banking Report, all registers, all deputies.</p>	<p>All cash transmittals agreed with the Banking Report, after adjustments for overages, shortages and bond reinstatements. Any instance of personal change made from funds prior to deposit stopped with the change in court management. Since that time there have been no instances</p>	<p><u>Completed - None required.</u></p> <p><u>Completed - None required.</u></p>
	<p>Evidence of Signature Visually inspect cash closeout for dual signatures (CSR's and Sup.)</p>	<p>All CSR closeouts contain dual signatures. All CSR closeouts need to include copy of voids. When the supervisor or senior closes out dual signatures are not obtained.</p>	<p>Closeout sheets modified to require two signatures. - <u>Completed.</u></p> <p>Pending implementation - 5-30-00.</p> <p><u>Completed 5-8-00.</u></p>
	<p>Evidence of Signature on Cash Transmittal</p>	<p>All cash transmittals were signed</p>	<p><u>Completed - None required.</u></p>
	<p>Cash Overages and Shortages Note any significant over or under differences.</p>	<p>These overages and underages appear to be the result of the processing of credit card payments in FACTS.</p>	<p>Restrict Fines Enforcement from processing payments or require CSR's to immediately receipt Fine Enforcement's credit card transactions. <u>Pending completion 5-30-00.</u></p>
	<p>Allocation Detail Report Confirm that the Banking Report, all registers, and all deputies agree with the Allocation Detail Report.</p>	<p>The Banking Report, all registers and all deputies agree with the Allocation Detail Report.</p>	<p><u>Completed - None required.</u></p>

	Agree Fee Report to Allocation Detail Report	Fee Report agrees with Allocation Detail Report.	<u>Completed - None required.</u>
	Timeliness of Deposit Verify City Treasurer receipt indicates deposit made in a timely manner.	Verified deposits are made in a timely manner.	<u>Completed - None required.</u>
	Verify Month to Date Fee Report to Disbursement of Funds	Verify the Month to Date Fee Report agrees with the journal entry forwarded to the City Treasurer.	<u>Completed - None required.</u>
	Verify deposits posted agree with disbursement of funds.	Total monthly deposits to the Court Clearing Account maintained on the City Financial system agrees with the monthly journal entry for disbursement of funds.	<u>Completed - None required.</u>
	Verify Timely Disbursement to State Treasurer	Disbursement of funds agreed.	<u>Completed - None required.</u>
	Cash Disbursements Trace payment back to the Case Financial record verifying the name of payee, amount and voucher agree. Compare date of processing to FACTS to ensure timeliness.	All payments traced back to the case financial record. Name of payee and amounts compared. Payments processed within the 15-day time frame established by SC AD Order 94-16. All bond refunds/exonerations processed in a timely manner. Reconciliation of these trust accounts not completed in a timely manner. Victim information in FACTS inaccurate and/or incomplete.	<u>Completed - None required.</u> <u>Completed - None required.</u> Require CSR's to update accounts. Query IS to see if accounts can be age reported in Crystal. Require one good faith attempt to find victim. Request one time adjustment to bond account to reconcile with SMARTSTREAM. <u>Total completion - 6-30-00.</u>
	Endorsement of Checks Received checks need to be immediately restrictively endorsed.	Endorsement matches payee.	<u>Completed - None required.</u>

	Change Fund Verify a change fund has been set aside prior to drawer distribution. Verify evidence of signature by both the vault cashier and the CSR. Count and compare amount retained in vault as change fund and examine it for evidence of loans, personal checks and receipts for purchase.	All change funds agreed and were set aside. Evidence of dual signature existed. The amounts agreed and there was no evidence of loans, personal checks or receipts for purchases.	<u>Completed - None required.</u> <u>Completed - None required.</u> <u>Completed - None required.</u>
	Open Item Record Compare Outstanding Bail Reports and items on the 6-30-99 report to the 12-31-99 ending report and note any common cases between the two. Cases on both reports will be considered to be older than 6 months and the Register of Actions and justification from court personnel should be obtained on those cases.	Area needs research and exploration.	<u>Pending completion 6-30-00.</u>

Internal Controls	
<u>ACTION</u>	<u>PROJECTED DATE OF COMPLETION</u>
Cross-Train Supervisors and Seniors	Completed
Monthly Audit of CSR's to Commence	May 2000
Complete policies & procedures	June 30, 2000
Complete MAS enforcement Plan	June 30, 2000
Institute a better physical file tracking system	August 2000
Correct all files with status errors	September 2000
Utilization of Q-Matic Reports	October 2000
Complete Performance Measures	October 2000